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Attachment to memorandum, "Request for IPC Targets on Poland, Hungary, Czechoslovakia, Bulgaria, Rumania, and Albania, dated 9 April 1957 for use as an example.

Objective II d.

"The strengths and weaknesses of the Soviet (including Satellite) economy, with particular reference to its ability to support a major war; the motivation, character, and magnitude of current economic development programs, their implementation and their effect upon the economic, political, and military strength of the Soviet Bloc; the capabilities and vulnerabilities of the Soviet and Satellite internal communications systems."

(The above quotation is Objective II d. of DCID 4/6, dated 30 October 1956. It is probable that most ORR IPC Targets for purposes of this request will be justified under Objective II d., but it is conceivable that other Objectives cited in DCID 4/6 may also be used.)

NOTE: The following is quoted from the Draft IPC List Communist China and illustrates the format to be used in preparing new IPC targets.

Background

The Chinese Communist regime is expected to continue for a considerable period of time to concentrate on developing the capacity and production of heavy industry. Agricultural output must provide the major source of capital for industrial expansion, and in this sector the regime is attempting to increase its control of production and distribution and to expand agricultural output without sizeable investment, through technical innovations and an accelerated program of socialization.

The regime recognizes its serious deficiencies in trained manpower and scientific and technological research and development capabilities to support the planned modern military and industrial economy, and is taking steps to correct them.

The tempo of military build-up and economic development requires to a great extent, the development of the communications system in Communist China; and because major military and economic support is being received from the USSR the further development of communications with the USSR is of prime importance.

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Attachment

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(A) General

Basic Guidance

Economic plans, programs, failures and achievements; relative emphasis on agriculture and major sectors of industry; organization for economic decision-making; nature of financial structure; regional development of the economy; extent of socialization of production; planning apparatus.

Military munitions production program; production of any potentially absolute weapons; nuclear, BW, CW, guided missile munitions production; shipbuilding, especially submarines; the aviation industry; the ground munitions industry, especially armored fighting vehicles and heavy artillery; the electronics industry.

Production, distribution, stockpiling, use pattern and adequacy of fuels and lubricants; raw materials; electric power; machinery and equipment; food products and consumer goods; transportation and communications equipment.

Volume and character of foreign trade, with particular emphasis on external sources and markets; commercial relations with bloc and non-bloc countries; evidence of frictions between Communist China and other bloc countries, especially competition for markets and sources of supplies; trade channels and techniques particularly as related to clandestine procurement of war potential goods and services; reaction of the economy to Western trade controls and related measures of economic pressure; probable consequences of relaxation to such controls; nature and amount of Soviet aid and technical assistance; financial situation; evidence of inflationary tendencies, currency devaluations; solicitation of funds from Overseas Chinese; consequences of foreign blocking of funds and assets; exchange position, especially availability of exchange for import purposes; information on use of agricultural products (including opium) as source of exchange; Soviet bloc performance in supplying commodities and equipment denied Communist China by trade controls; conversely, ability of Soviet bloc markets to absorb Chinese Communist exports; techniques employed and results achieved in economic penetration of Southeast Asian countries, including establishment of banking, commercial insurance and transport agencies.

Records of all economic production for individual plants are collated in government agencies and bureaus in Peiping. Such documentary records constitute the most important means for obtaining statistics on individual plant production as well as on national aggregates. They are the main targets for economic intelligence collection in China."

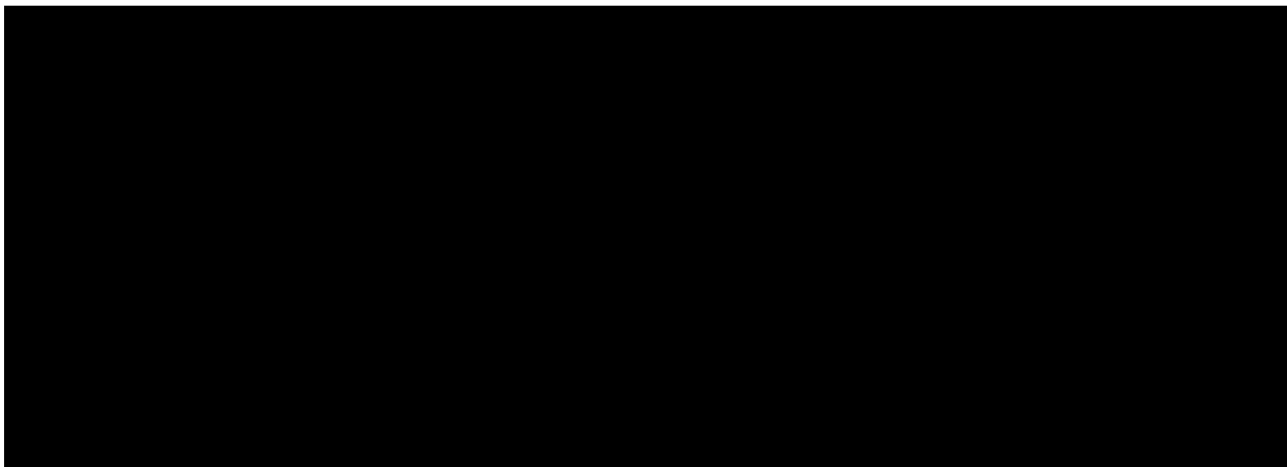
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Attachment

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25X1X4



(B) Industrial

Basic Guidance

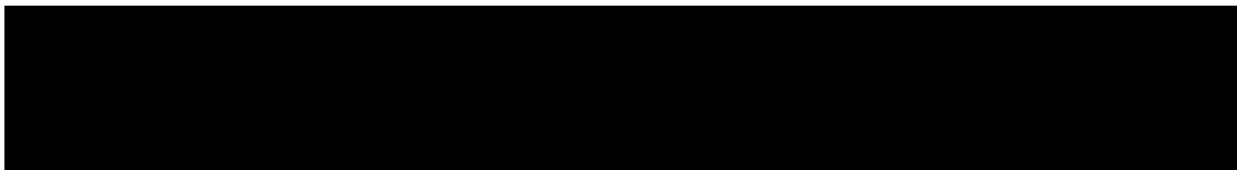
Pinpoint location and physical description of key plants; identification of products; rate of output; size of labor force; shifts per day, and days per week of operation; current development activities; security measures; sources of raw or semi-finished materials; destination of products; transportation facilities; description of any collateral activities; adaptability for conversion to war production.

No.

Target

Location

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2. Et cetera.

(C) Internal Communications and Communications with the USSR.

Basic Guidance, etc.